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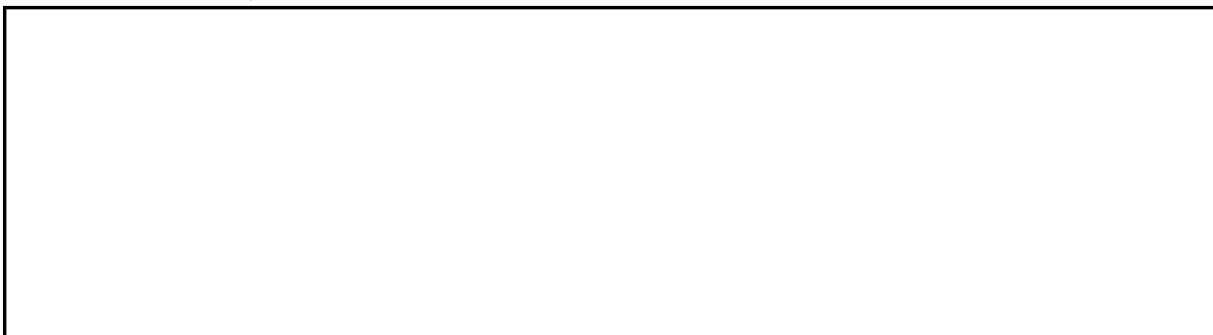
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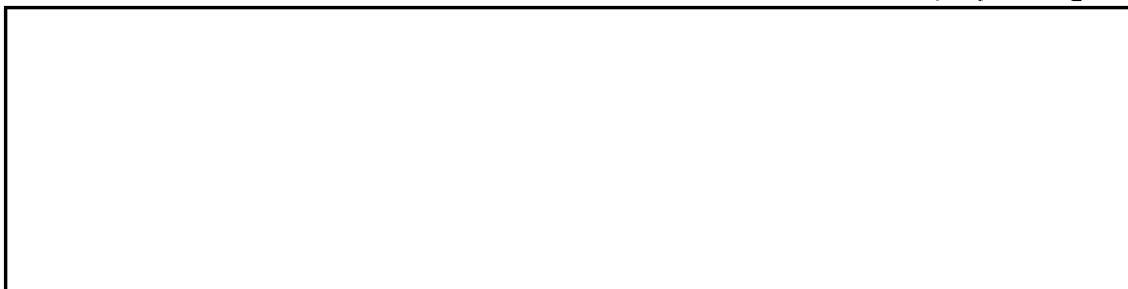
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EC Countries Differ on CSCE Issues

There are growing differences among the EC Nine on how the European security conference in Geneva should be concluded. These differences, however, will probably not be much in evidence at the EC heads of government meeting on March 10 and 11, where only a very general discussion of the conference is likely to take place.

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[redacted] the EC political directors on March 3 had trouble agreeing on a number of points in the CSCE status report they were preparing. The major disagreement occurred when the French and the British pressed hard for an unqualified statement that a CSCE summit would take place this summer. They maintained that the EC Nine should be willing to go at least as far as the British and French had in their recent communiques with the Soviets. This idea was staunchly opposed by the Italians, who stressed that bilateral agreements were not binding on other NATO members.

The French further argued that the recent US-Soviet breakthrough on language dealing with the peaceful change of borders proved that enough progress had been made to schedule a CSCE summit early this summer. Most of the other political directors felt that any decision on summit timing should be made in a NATO context.

There was also a wide range of views on how the conference should be followed up and on the form that final CSCE agreements should take. On the latter issue, the West Germans reportedly said that they would not sign any final documents that were not identical in the six conference languages. Complications such as this could delay the conference's conclusion even after substantive agreement has been reached.

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The disagreements among the political directors reflect the tactical quandary of the West Europeans at this point in the tedious history of the security conference. Faced with near-complete Soviet intransigence, they are coming increasingly to realize that the conference can be ended quickly, as the West Europeans themselves desire, only through substantial Western concessions. And yet there is a nagging feeling on the part of many of the West Europeans that, at most, they should continue to counter Soviet intransigence with a hard line of their own or, at least, identify certain goals they will not abandon.



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Another Cod War Looms in Iceland

The government revealed publicly for the first time its plans to extend Iceland's fishing limits to 200 miles this year. Prime Minister Hallgrimsson told parliament on March 4 that the fishing limits would be extended sometime after the Law of the Sea conference concludes in May regardless of its outcome. He thought Iceland would make its unilateral announcement before expiration of the current fisheries agreement with the UK on November 13.

Hallgrimsson said that his government had determined that Iceland would have the exclusive right to utilize the entire catch within the expanded limits and the authority to regulate the fishing of other nations within that jurisdiction. He said the 200-mile extension will involve negotiations of median lines, apparently with Denmark over Greenland and the Faeroes, and possibly with Norway over Jan Mayen island. No formal discussions have yet been held.

Hallgrimsson's contention that Iceland had "considerable support" from members of the EC, NATO, and the Nordic Council for a 200-mile limit is erroneous and is probably intended for home consumption. Some of Iceland's principal allies--including the UK and West Germany--are opposed and Icelandic leaders reportedly were unhappy when their Nordic colleagues failed to endorse the proposed expansion at a recent Council meeting in Iceland.

The Prime Minister admitted that patrolling the vast area would be a problem for Iceland's small coast guard. He thought, however, that the anticipated acquisition of a new cutter in May would help. He also said the Justice Ministry, which is responsible for the coast guard, is considering strengthening the latter's air arm, presumably with helicopters.

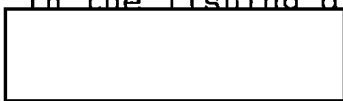
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Iceland's planned moves threaten to revive the Cod War with Britain which lasted for 15 months prior to the temporary two year agreement signed in 1973. The series of incidents between the Icelandic coast guard and British fishing vessels created tensions within NATO and threatened the future of the US-manned base at Keflavik when the then centrist government tried to use the base as leverage to gain US support in the fishing dispute.

The base question was settled by the present rightist government and probably would not be a significant issue if the squabble is revived. Nevertheless, the Hallgrimsson government might ask the US for additional equipment, such as helicopters for air surveillance of the expanded fishing limits. Such a move, of course, would involve the US indirectly in the fishing dispute.



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Greek Governments Purge of Army Causes Unrest

The Greek government's ongoing purge of the armed forces is causing major morale problems and increased unrest.

Fifty-eight army and air force generals and four naval flag officers have been retired in the last two days. Some were clearly retired because of their involvement in the military conspiracy uncovered last week or past service to the junta; others appear to have been chosen for professional reasons. The government has now completed its review of the loyalty and competence of high ranking officers and will begin examining the cases of those of lower ranks.

The shakeup has caused widespread anxiety within the armed forces. After seven years of military rule, nearly all officers feel vulnerable to charges that they supported the junta. The constant reshuffle of the top leadership has created confusion in the command structure, and the recall of officers to high positions who had been cashiered by the junta has reportedly increased factionalism within the army.

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